SECTION C - GENERAL

1. LABOR NONDISCRIMINATION

Attention is directed to the following Notice that is required by Chapter 5 of Division 4 of Title 2 of the California Code of Regulations:

NOTICE OF REQUIREMENT FOR NONDISCRIMINATION PROGRAM (GOV. CODE, SECTION 12990)

Your attention is called to the "Nondiscrimination Clause," set forth in Section 7-1.01A(4), "Labor Nondiscrimination," of the Standard Specifications, which is applicable to all non-exempt state contracts and subcontracts, and to the "Standard California Nondiscrimination Construction Contract Specifications" set forth therein. These Specifications are applicable to all non-exempt state construction contracts and subcontracts of $5,000 or more.

2. PERFORMANCE OF SUBCONTRACTORS

The subcontractors listed by the Contractor in conformance with Section 2-1.054, “Required Listing of Proposed Subcontractors,” of the Standard Specifications, shall perform the work and supply the materials for which they are listed unless the Contractor has received prior written authorization to perform the work with other forces or to obtain the materials from other sources.

The Contractor should notify the Engineer in writing of any changes to its anticipated DBE participation. This notice should be provided prior to the commencement of that portion of the work.

3. SUBCONTRACTING

Attention is directed to the provisions in Section 8-1.01, "Subcontracting," of the Standard Specifications, and these Special Provisions.

Pursuant to the provisions in Section 1777.1 of the Labor Code, the Labor Commissioner publishes and distributes a list of contractors ineligible to perform work as a subcontractor on a public works project. This list of debarred contractors is available from the Department of Industrial Relations web site at:

http://www.dir.ca.gov/DLSE/Debar.html.

The provisions in the third paragraph of Section 8-1.01, "Subcontracting," of the Standard Specifications, states that the Contractor shall perform with the Contractor's own organization contract work amounting to not less than 50 percent of the original contract price.

PROMPT PROGRESS PAYMENT TO SUBCONTRACTORS

A prime contractor or subcontractor shall pay any subcontractor not later than 10-days of receipt of each progress payment in accordance with the provision in Section 7108.5 of the California Business and Professions Code concerning prompt payment to subcontractors. The 10-days is applicable unless a longer period is agreed to in writing. Any delay or postponement of payment over 30-days may take place only for good cause and with the Department’s prior written approval. Any violation of Section 7108.5 shall subject the violating contractor or subcontractor to the penalties, sanctions,

3. SUBCONTRACTING (Continued)

and other remedies of that Section. This requirement shall not be construed to limit or impair any contractual, administrative, or judicial remedies, otherwise available to the contractor or subcontractor in the event of a dispute involving late payment or nonpayment by the contractor, deficient subcontractor performance, and/or noncompliance by a subcontractor. This clause applies to both DBE and non-DBE subcontractors.

PROMPT PAYMENT OF WITHHELD FUNDS TO SUBCONTRACTORS

The Department shall hold retainage from the prime contractor and shall make prompt and regular incremental acceptances of portions, as determined by the Department, of the contract work, and pay retainage to the prime contractor based on these acceptances. The prime contractor, or subcontractor, shall return all monies withheld in retention from all subcontractors within 30-days after receiving payment for work satisfactorily completed and accepted, including incremental acceptances of portions of the contract work by the Department. Any delay or postponement of payment over 30-days may take place only for good cause and with the Department's prior written approval. Any violation of this provision shall subject the violating prime contractor or subcontractor to the penalties, sanctions, and other remedies specified in Section 7108.5 of the Business and Professions Code. This requirement shall not be construed to limit or impair any contractual, administrative, or judicial remedies otherwise available to the prime contractor or subcontractor in the event of a dispute involving late payment or nonpayment by the prime contractor, deficient subcontractor performance, and/or noncompliance by a subcontractor. This clause applies to both DBE and non-DBE subcontractors.

4. AIR POLLUTION CONTROL

Air pollution control shall conform to the provisions in Section 7-1.01F, "Air Pollution Control," of the Standard Specifications and these Special Provisions.

Material to be disposed of shall not be burned unless the Contractor has obtained a permit to burn combustible material resulting from clearing and grubbing operations from an air pollution control officer of the local or regional authority. A copy of the permit shall be filed with the Engineer before beginning any burning. All such burning shall be conducted in strict conformance with the provisions stipulated in said permit and at such times and in such manner as to prevent the fire from spreading to areas adjoining the right of way.

5. PAYMENTS

Attention is directed to Section 9-1.06, "Partial Payments," and 9-1.07, "Payment After Acceptance," of the Standard Specifications and these Special Provisions.

For the purpose of making partial payments pursuant to Section 9-1.06, "Partial Payments," of the Standard Specifications, the amount set forth for the contract items of work hereinafter listed shall be deemed to be the maximum value of said contract item of work, which will be recognized for progress payment purposes.

Clearing and Grubbing	**$5,000.00**
Traffic Control	**$10,000.00**
Develop Water Supply	**$5,000.00**
Pavement Grinding	**$10,000.00**

5. PAYMENTS (Continued)

After acceptance of the contract pursuant to Section 7-1.17, "Acceptance of Contract," of the Standard Specifications, the amount, if any, payable for a contract item of work in excess of the maximum value for progress payment purposes hereinabove listed for said item, will be included for payment in the first estimate made after acceptance of the contract.

No partial payment will be made for any materials on hand which are furnished but not incorporated in the work.

6. PAYROLL RECORDS

Payroll records shall conform to the provisions outlined in Section 7-1.01A(3), "Payroll Records," of the Standard Specifications and these Special Provisions.

7. RELEASE OF RETAINED FUNDS

The second paragraph of Section 9-1.065, "Release of Retained Funds," of the Standard Specifications is amended to read:

Upon the Contractor's request, pursuant to Public Contract Code Section 22300, and subject to the requirements of these Special Provisions, the Department will make payment of funds withheld from progress payments to ensure performance of the contract if the Contractor deposits in escrow with the Butte County Treasurer, or with a bank acceptable to the Department, securities equivalent to the amount withheld. The Contractor shall be beneficial owner of any securities substituted for moneys withheld and shall receive any interest thereon. Upon satisfactory completion of the contract, the securities shall be returned to the Contractor.

8. STOP NOTICE WITHHOLDS

The Department may withhold payments to cover claims filed under Civ Code § 3179 et seq.

9. PERFORMANCE FAILURE WITHHOLDS

During each estimate period the Contractore fails to comply with a contract part, including submittal of a document as specified, the Department withholds a part of the progress payment. The documents include quality control plans, schedules, traffic control plans, and water pollution control submittals.

For 1 performance failure, the Department withholds 25 percent of the progress payment but does not withhold more than 10 percent of the total bid.

For multiple performance failures, the Department withholds 100 percent of the progress payment but does not withhold more than 10 percent of the total bid.

The Department returns performance-failure withholds in the progress payment following the correction of noncompliance.

10. PENALTY WITHHOLDS

Penalties include fines and damages that are proposed, assessed, or levied against you or the Department by a governmental agency or citizen lawsuit. Penalties are also payments made or costs incurred in settling alleged permit violations of Federal, State, or local laws, regulations, or requirements. The cost incurred may include the amount spent for mitigation or correcting a violation.

If you or the Department is assessed a penalty, the Department may withhold the penalty amount until the penalty disposition has been resolved. The Department may withhold penalty funds and notify you within 15 days of the withhold. If the penalty amount is less than the amount being withheld from progress payments for retentions, the Department will not withhold the penalty amount.

If the penalty is resolved for less than the amount withheld, the Department pays interest at a rate of 6 percent per year on the excess withhold. If the penalty is not resolved, the withhold becomes a deduction.

Instead of the withhold, you may provide a bond payable to the Department of Transportation equal to the highest estimated liability for any disputed penalties proposed.

11. NOTICE OF POTENTIAL CLAIM

Notices of potential claims shall be made in accordance with Section 9-1.04, "Notice of Potential Claim," of the Standard Specifications and these Special Provisions.

12. FINAL PAYMENT AND CLAIMS

Final payment and claims shall be done in accordance with Section 9-1.07B, "Final Payment and Claims," of the Standard Specifications and these Special Provisions.

13. FINAL PAY ITEMS

Final pay items shall be as outlined in Section 9-1.015, "Final Pay Items," of the Standard Specifications and these Special Provisions.